



Federal Emergency Rental Assistance Program (ERAP) Landlords

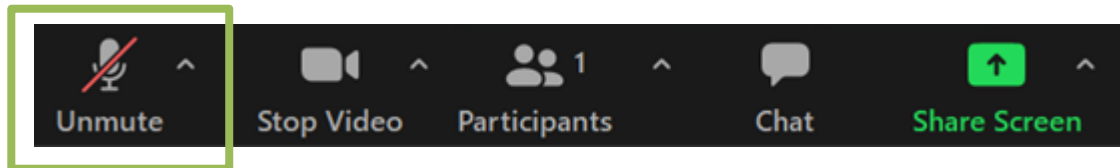
May 7, 2021

ENGAGEMENT BEST PRACTICES



Please Mute

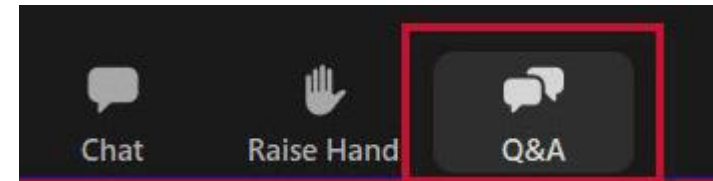
Please join the meeting muted during the session to keep interruptions to a minimum



Asking Questions

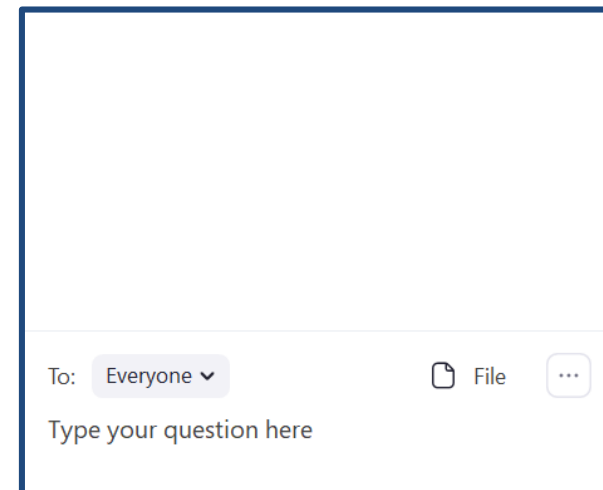
We will be monitoring the Q&A for questions

1



Click “Q&A” to open the chat window

2



Enter your question into the chat

We will follow up with answers to any questions that we don't get to during the session.

THIS CALL IS BEING RECORDED





WELCOME

MEET YOUR FACILITATOR



Liz Stanfield



Our Journey Today

60 MINUTES



Welcome, Goals, & Objectives

5 mins



Federal Emergency Rental Assistance Program Overview

30 mins



Applying for Assistance



Questions & Answers

25 mins



Next Steps, Resources & Support

Purpose



Review the **new Federal Emergency Rental Assistance Program (ERAP)** and provide an understanding of the new program and policies

Goal



Provide landlords with **guidance on how to apply for assistance** on behalf of their tenants



We want to hear from you!

Help us better understand landlords and their needs by participating in a short survey.

How to Participate

Click the link in the chat or go to www.mass.gov/forms/landlord-erap-training-follow-up-survey to complete the survey.



FEDERAL EMERGENCY RENTAL ASSISTANCE PROGRAM (ERAP) OVERVIEW

The Federal **Emergency Rental Assistance Program (ERAP)** is a federally funded emergency housing assistance program for renters impacted by COVID-19

Massachusetts DHCD has received \$437M use-it-or-lose-it federal emergency rental assistance dollars. Federal law allows Treasury to recapture funding if we do not spend 65% of these federal dollars by September 2021.

Landlords owning up to 20 units are eligible to apply for assistance on behalf of their tenants (potentially opening this functionality up to larger landlords in the future).



RAFT VS. ERAP OVERVIEW



RAFT	ERAP
Who is Eligible?	
Renters and homeowners at 50% Area Median Income	Renters at 80% Area Median Income
What is the Benefit?	
Up to \$10,000 in rental, mortgage, and utilities assistance within 12 months	Applicants are eligible for up to 18 months of arrears (<i>accrued after 3/13/2020</i>). Applicants are eligible for up to 18 months total assistance, although future rent assistance (stipend payments) are only issued 3 months at a time.
What does the Benefit Cover?	
Overdue or future rent or mortgage costs, utilities and moving expenses	Overdue or future rent costs, tenant-paid utilities and moving expenses

The current RAFT program policies are not changing at this time.



TENANT ELIGIBILITY

Tenants must meet the eligibility criteria below to be served through ERAP

- **COVID-19 Impact**
 - Tenants must certify that they have experienced a financial hardship related to COVID-19
- **Risk of Homelessness or Housing Instability**
 - Tenants must demonstrate that they are at risk of homelessness or housing instability
 - DHCD will continue using the housing crisis list that exists for rental situation
- **Currently renting or moving into a new rental housing**
- **Income at or below 80% Area Median Income (AMI)**



ELIGIBLE USES OF FUNDS

ERAP provides a maximum of 18 months' worth of assistance including stipends (3 months). No dollar cap on ERAP funds, but households cannot receive more than the monthly contract rent amount for any month

ERAP may be used on the following expenses:

RENT ARREARS

- ☐ May be used for rent due on or after March 13, 2020
- ☐ Cannot cover a period exceeding 18 months
- ☐ For renters with income-based subsidy, can only cover tenant-paid portion of rent

FUTURE RENT (STIPENDS)

- ☐ Rent stipends may be paid for rent due after the time of the application, but will **only approved in 3-month increments**
- ☐ If the tenant has rental arrears, at least **a portion of the arrears must be paid** for the applicant to receive an ERAP stipend
- ☐ ERAP stipends will pay for **100%** of the household's full monthly rent amount, regardless of income
- ☐ Tenant will need to **reapply or recertify need at end of every 3-month period of stipends**
- ☐ Renters with income-based rental subsidies only receive assistance to cover the tenant-paid portion of rent arrears and are not eligible for stipends

ERAP may also be used on the following expenses:

UTILITY ASSISTANCE

- ☐ Maximum of \$1,500 per household to pay for:
 - ☐ Tenant-paid utility arrears, dating back to March 13, 2020, including:
 - ☐ Electricity
 - ☐ Gas
 - ☐ Water/Sewer
 - ☐ One delivery of tenant-paid heating fuel, such as oil, propane, wood pellets

MOVING RELATED EXPENSES

- ☐ First and last month's rent, security deposits, moving trucks, and furniture payments up to \$1,000



Households with an income-based local, state or federal subsidy for their rent, such as Section 8 or MRVP, are:

- ✓ Eligible for arrears only
- ✓ Eligible for up to 18 months of arrears payments
- ✓ Eligible for moving expenses and utilities
- ✗ Not eligible for stipends



APPLYING FOR ASSISTANCE

Landlords who own up to 20 housing units can apply directly for rental assistance on behalf of eligible residents. Tenants can also apply directly.



Coordinate with your Tenants

Landlords must obtain and submit a signed tenant consent form before applying for assistance.

Check if your Tenant has already applied

If your tenant has already submitted an application for rental assistance, **please do not reapply**. This could delay the approval process.

Ensure your Tenant is eligible

Tenant income eligibility limit is 80% of the Area Median Income (AMI) for assistance. You can check AMI limits in your city/town [here](#).

If you believe your tenant may be eligible for rental assistance, you should:

1

Ensure your Tenant is income-eligible

[Find the regional agency is your area](#), and determine income eligibility for the metro area of your property.

2

Ask your Tenant if they've applied

Find out whether your tenant has already submitted an application for rental assistance.

3

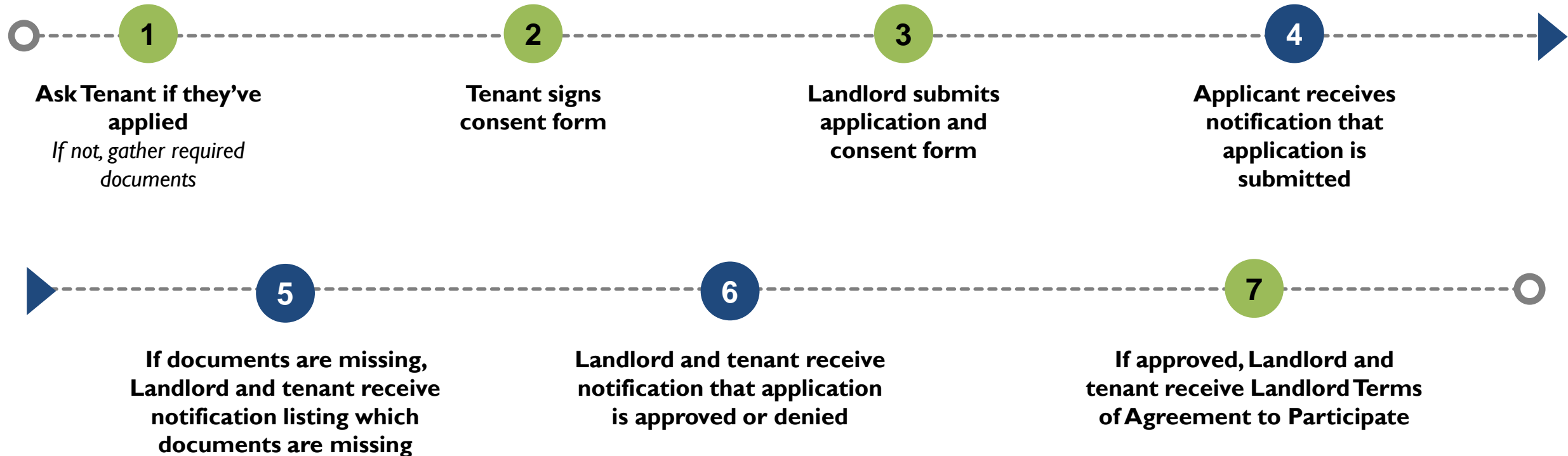
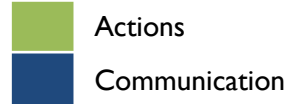
Start an Application

If your tenant has not applied, start an application by asking for your tenant to sign the required consent form that is available through the regional agency

APPLYING FOR ASSISTANCE (*on tenants' behalf*)



KEY



REQUIRED DOCUMENTS



In order to apply to the Federal Emergency Rental Assistance Program (ERAP), landlords will need to provide the following required information:

1. Tenant consent form

- All adult household members must sign tenant consent form

2. Landlord information

- Address and contact Information

3. Reason for Application

- Include documentation of housing crisis. Examples include, but are not limited to, notice of arrears (unpaid rent), court summons, utility shutoff.

4. Details On Assistance Being Requested

5. Household information

- Name, DOB, sex, race, ethnicity and SSN for all adult members of the household

6. Identification for the head of household

- Examples: photo id, license, birth certificate, passport)

7. Rental information

- Lease/tenancy agreement, amount of rent, amount of arrears, whether they are subsidized

8. Household income

- *See slide 22 and 23*

9. W-9 from payee (landlord/property owner)

10. Proof of ownership for property owner

RAAs can automatically verify income eligibility in these ways:

1

Verification with the Department of Transitional Assistance (DTA) or MassHealth—participants are presumed income eligible

2

Review of an eligibility letter from an eligible benefit program—participants are presumed income eligible

See next slide for list of benefit programs

3

Verification in state databases for applicants who have received Unemployment Insurance (UI) or Pandemic Unemployment Assistance (PUA)

If tenants do not meet one of the above, they can provide one of the following:

1

Proof of 2020 Annual Income
2020 Form 1040 (s)

2

Proof of Monthly Income
Tenants can still demonstrate income eligibility by submitting pay stubs, benefit award letters, etc.

3

Attest that they have Zero Income

The following income-eligibility letter letters are acceptable

1

Benefit Letter:

- **Benefit determination letter from any DTA administered benefit program that serves households 80% AMI or lower**, including SNAP, TAFDC, EAEDC, SSI, SSP
- Eligibility letter for **MassHealth**
- Letter from DHCD-contracted Local Administering Agency for **LIHEAP** program or Fuel Assistance
- Letter for **childcare** financial assistance from the Department of Early Education and Care
- Letter for **Chapter 115** Assistance from the Department of Veteran Services or one of their contracted Child Care and Referral Agencies

2

Income-Based Rent Determination Letter:

From a Local Housing Authority or RAA for state or federal public housing or subsidized housing vouchers, where income is limited to households with an income of 80% AMI or lower

An application that is fully complete, with all required documentation, will be processed faster.

Incomplete applications will be closed if documentation is not provided within 14 days of notification of missing documents.

Please ensure they have all documentation needed to apply.





FREQUENTLY ASKED QUESTIONS

If I am a landlord who agrees to accept funding, do I lose my right to evict the tenant?

- **A landlord who accepts ERAP funding does not lose the ability to file for eviction due to lease violations that may occur in the future.** In all cases, the landlord enters into an agreement which provides that, so long as the tenant is paying the agreed upon monthly tenant share of rent and not violating other clauses of the lease, the landlord will not initiate an eviction.

- **The landlord may file for eviction under the following situations:**

During (or after) the ERAP period of agreement, the tenant violates a lease clause that is unrelated to payment of rent.

During (or after) the ERAP period of agreement, the tenant does not meet the monthly rent payment obligation that is stated in the agreement.

After the end of the ERAP period of agreement, the tenant does not pay rent or otherwise violates the lease.

Does a landlord have to agree to a proposed settlement that would involve forgiveness of arrearages or acceptance of reduced rent for the period of the agreement?

- Forgiveness of arrearages or acceptance of reduced rent are not program requirements.
-

What happens if a tenant moves out of the unit before the ERAP agreement ends?

- The rental assistance agreement includes the following line: **“If the Participant's tenancy is terminated prior to the period for which any monthly rental stipend payments were made, I agree to return the unused balance of said funds to the Agency.”**
- The onus is on the landlord to report a move-out to the Regional Administering Agency.



If a tenant's income increases, does the rental assistance agreement change?

- **No, the agreement signed by the tenant and landlord remains in effect for its stated term, unless the parties agree to amend it.**
-

Can a tenant apply for ERAP if they have already received up to \$10,000 in RAFT or ERMA or HomeBASE benefits over the last 12 months?

- **Yes. However, the ERAP will not pay for any period of rent already covered by RAFT, ERMA, or HomeBASE.**
- **Households may be eligible for up to 15 months of assistance from the ERAP program (up to 12 months of arrears plus an additional 3 months of stipends, if need is demonstrated and funds are available).**



What if a tenant loses income and can't afford the rent they agreed to pay in the agreement?

- The tenant should contact the landlord and Regional Administering Agency. **If both parties are amenable to changing the agreement, the tenant would not have to reapply, but they would need to execute a new agreement.** The new agreement would still need to comply with all ERAP requirements.
- **If the tenant is unable to pay their share and defaults on the rental assistance agreement, then a landlord can begin eviction proceedings, by issuing a Notice to Quit.**
- *NOTE: In some cases, the CARES Act may require a landlord to give 30 days' notice for nonpayment, depending on the type of financing that the landlord has and whether the landlord has sought mortgage forbearance – consult an attorney for guidance.*
- *NOTE: the CDC moratorium, which limits residential evictions for qualifying tenants, has been extended through the end of June, 2021.*



QUESTIONS



RESOURCES

1

DHCD Website

Visit the [DHCD Landlord Landing Page](#) for more information on ERAP

2

Meeting Materials

A recording of this session will be shared and uploaded to the [EDI Portal](#)

3

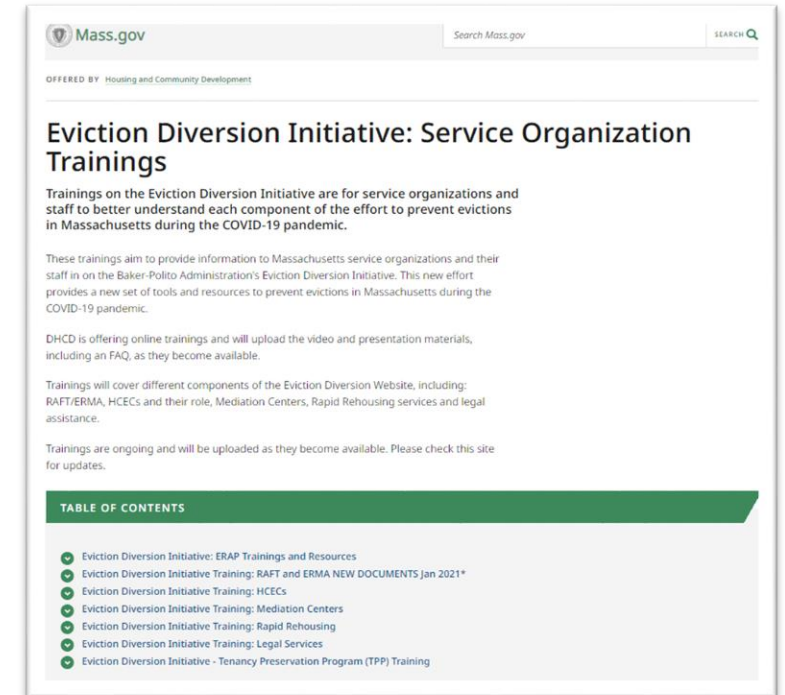
Landlord Survey

Help the state better understand landlords and their needs.
www.mass.gov/forms/landlord-erap-training-follow-up-survey

4

Community Mediation

Local non-profits are available to help landlords and tenants resolve disputes.
<https://www.resolutionma.org/housing>





THANK YOU!